	Case 12-32118 Filed 08/30	D/13 DOC 1100		
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7	Attorneys for Debtor			
8	City of Stockton			
9	UNITED STATES BANKRUPTCY COURT			
10	EASTERN DISTRICT OF CALIFORNIA			
11	SACRAMENTO DIVISION			
12				
13	In re:	Case No. 2012-32118		
14	CITY OF STOCKTON, CALIFORNIA,	Chapter 9		
15	Debtor.	CITY OF STOCKTON'S APPLICATION FOR ORDER UNDER		
1617		FEDERAL RULE OF BANKRUPTCY PROCEDURE 2004 AUTHORIZING EXAMINATION OF 7TH INNING		
18		STRETCH, LLC		
19		[No Hearing Required]		
20		Judge: Hon. Christopher M. Klein		
21		•		
22	This Application For Order Under Federal Rule Of Bankruptcy Procedure 2004			
23	Authorizing Examination Of 7th Inning Stretch, LLC (the "Application") by the City of Stockton			
24	California ("City") is based on the following:			
25	BACKGROUND			
26	1. In 2004, the City financed and constructed an events center that included a 5,200			
27	seat Class A baseball park (the "Stadium"), in addition to a 10,000 seat arena, parking, and other			
28	amenities. In 2005, the City entered into a long-term licensing agreement (the "Agreement") for			

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the use of the Stadium with 7th Inning Stretch, LLC ("SIS"), which owns a minor league baseball team, the Stockton Ports (the "Ports"). The Agreement has an initial term of 25 years, with the option to extend for two additional 7 year periods.

- 2. Generally, the Agreement concerns issues such as control of the calendar for the Stadium, control and operation of concessions, and related Stadium revenue streams (such as advertising). The terms of the Agreement, which are generally favorable to SIS by league standards, are such that the City must subsidize a portion of the operating costs of the Stadium.
- 3. On June 28, 2012, the City filed its petition for chapter 9 relief. On April 1, 2013, the Court granted the City's petition, and entered its order for relief.
- 4. As part of its ongoing development of a plan of adjustment, the City must decide how to treat its Agreement with SIS, including whether to assume or reject the Agreement. In order to determine the best course of action, the City requires basic financial information regarding the performance of the Ports and their use of the Stadium under the Agreement.
- 5. The City has requested SIS to provide information about SIS's finances, including on August 1, 2013, when the City sent an informal written request to Pat Filippone, authorized agent for service of process for SIS. The City is now seeking such information and data via Rule 2004 because SIS has not yet produced all of the requested information and data.

RELIEF REQUESTED

- 6. The City seeks an order, substantially in the form of Exhibit A, authorizing the City to compel the production of the following documents and materials by SIS, by and through Pat Filippone and/or the person most knowledgeable and/or the custodian of such documents:
 - i. All Detailed Internal Operating Revenue/Expense Statements for the Ports and for the use of the Stadium for the past 5 years (2008-2012).
 - ii. All Audited Financial Statements for the Ports and for the use of the Stadium for the past 5 years (2008-2012).
 - iii. All League Standard Financial Reports for the Ports for the past 5 years (2008-2012).
 - iv. All Detailed Current Year Budgets and Projections for the Ports and for the use of the Stadium.

EXAMINATION UNDER RULE 2004

1 2	v. All historical event information for Ports and other non-Ports events held by SIS at the Stadium, including the total number of home games played, the total and average paid attendance, the total and average turnstile		
3	attendance, and average ticket prices.		
4	ARGUMENT		
5	7. Rule 2004 allows for the examination of any entity with respect "to the acts,		
6	conduct, or property or to the liabilities and financial condition of the debtor, or to any matter		
7	which may affect the administration of the debtor's estate" Fed. R. Bankr. Proc. 2004(b).		
8	8. Pursuant to the Agreement, the City has licensed use of the Stadium to SIS.		
9	Information regarding the financial performance of the Ports and the Stadium under the		
10	Agreement is therefore directly relevant to the administration of the City's bankruptcy.		
11	Specifically, such information is necessary to aid the City's determination of how to treat the		
12	Agreement and any other obligations pertaining to the Stadium in its plan of adjustment. The		
13	requested documents therefore fall squarely within the scope of subject matter about which the		
14	City can examine SIS under Rule 2004.		
15	WHEREFORE, the City prays that the Court grant the Application in its entirety.		
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18	Dated: August 30, 2013 MARC A. LEVINSON NORMAN C. HILE		
19	PATRICK B. BOCASH Orrick, Herrington & Sutcliffe LLP		
20			
21	By: /s/ Marc A. Levinson		
22	MARC A. LEVINSON Attorneys for Debtor		
23	City of Stockton		
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Exhibit A

1	Marc A. Levinson (State Bar No. 57613) [Name; State Bar ID No., if applicable]			
2	Orrick, Herrington & Sutcliffe LLP [Address] 400 Capitol Mall, Ste. 3000, Sacramento, CA 95814-4497			
3	(916) 447-9200 [Telephone] Attorney for Applicant/Applicant In Propria Persona			
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	LINUTED OTATEO DANIADUDTOV COUDT			
5	UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF CALIFORNIA			
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7	In re) City of Stockton, California,) Case No. 2012-32118			
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12	ORDER GRANTING APPLICATION FOR ORDER OF EXAMINATION UNDER FEDERAL RULE OF			
13	BANKRUPTCY PROCEDURE 2004(a)			
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15	Application for examination under Federal Rule of Bankruptcy Procedure (FRBP) 2004(a)			
16	having been made by [insert name of applicant] the City of Stockton, California,			
17	IT IS ORDERED:			
18	1. That [insert name of applicant] the City of Stockton, California is authorized to examine			
19	[insert name of examinee] Pat Filippone pursuant to FRBP 2004(a) on the			
20	subjects specified in FRBP 2004(b);			
21	2. That pursuant to FRBP 2004(c), attendance for examination and production of			
22	documentary evidence may be compelled in the manner provided in FRBP 9016 for the			
23	attendance of witnesses at a hearing or trial; and			
24	3. That the examination shall not be scheduled earlier than days after			
25	service under FRBP 9016 [must be 30 days after service if production of documentary			
26	evidence is requested].			
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1	IT IS FURTHER ORDERED that nothing herein compels the production of privileged or other
2	legally protected matter or precludes the filing of a motion to quash or a motion for a protective order.
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4	Dated: By the Court
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8	United States Bankruptcy Judge
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